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# Maruti Suzuki India Limited

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Q1 FY' 09-10 Financial Results  
July 23rd, 2009



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# Safe Harbour

1. This presentation might contain forward looking statements which involve a number of risks, uncertainties and other factors that could cause the actual results to differ materially from those in the forward looking statements. The Company undertakes no obligation to update these to reflect the events or circumstances thereof.
2. This presentation also contains reference to the findings of various reports available in the public domain. The Company takes no responsibility as to their accuracy or that the company subscribes to those findings.
3. All comparisons have been done with the corresponding figure of same period last year unless mentioned otherwise.



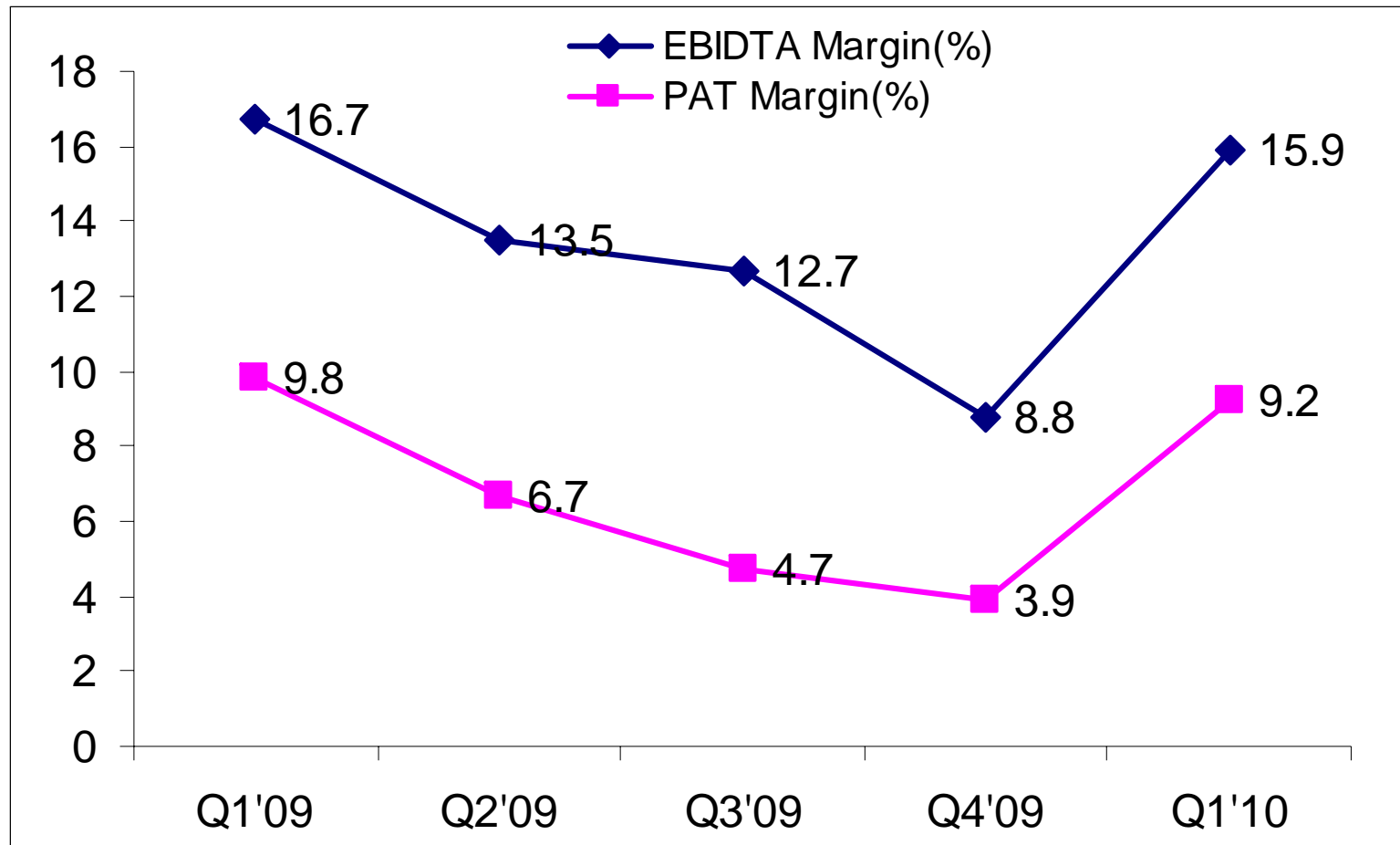
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# Profit Margin Movement



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## Financial Highlights of Q1 & Y-o-Y growth

■ Sales Volume	<b>226,729 units</b>	17.7%	↑
■ Net Sales	<b>63,403 Mn</b>	34.0 %	↑
■ EBIDTA	<b>10,097 Mn</b>	27.4 %	↑
■ PBT	<b>8,073 Mn</b>	32.5 %	↑
■ PAT	<b>5,835 Mn</b>	25.2 %	↑

# Ratio Comparison Y-o-Y (% to Net Sales)

Parameter	Q1 FY' 09-10	Q1 FY' 08-09	Change (bps)	
Material Cost	78.1%	78.0%	10	↑
Employee Cost	2.1%	2.3%	(20)	↓
Selling & Distribution expenses	2.9%	3.6%	(70)	↓
Manufacturing & Other Expenses	6.7%	6.7%	0	
Royalty	3.6%	2.9%	70	↑
Power & Fuel	0.8%	1.0%	(20)	↓
Exchange Variation	0.5%	0.7%	(20)	↓
<b>EBIDTA</b>	<b>15.9%</b>	<b>16.8%</b>	<b>(90)</b>	↓
Depreciation	3.1%	3.5%	(40)	
PBT	12.7%	12.9%	(20)	↓
<b>PAT</b>	<b>9.2%</b>	<b>9.8%</b>	<b>(60)</b>	↓
Other Income	5.4%	6.9%	(150)	↓

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# Financial Analysis Q1 FY'10 vs Q1 FY'09

## **Income**

- Net Sales up by 34%
- Increase in Volume (both Domestic & Exports)
- Shift towards higher end new models (both Domestic & Exports)
- Average Realization per car up by 13.5%

## **Other Income**

- Capital Gains lower in Q1' FY10.

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# Financial Analysis Q1 FY'10 vs Q1 FY'09

## **Material Cost (% to Net Sales)**

- At par with Q1'FY09 levels
- Continued focus on Cost Reduction
- Impact of Forex on Vendor imports

## **Manufacturing & Admin Cost**

- At par with Q1'FY09 levels
- Royalty up by 70bps: Increase in number of royalty paying models and exchange rate.
- Reduction in other costs



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# Financial Highlights Q1 FY'10 vs Q4 FY'09

■ Sales Volume	<b>226,729 units</b>	(4.2%)	↓
■ Net Sales	<b>63,403 Mn</b>	0.5 %	↑
■ EBIDTA	<b>10,097 Mn</b>	82 %	↑
■ PBT	<b>8,073 Mn</b>	132 %	↑
■ PAT	<b>5,835 Mn</b>	140 %	↑

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# Ratio Comparison Q-o-Q (% to Net Sales)

Parameter	Q1 FY' 09-10	Q4 FY' 08-09	Change (bps)	
Material Cost	78.1%	80.5%	(240)	↓
Employee Cost	2.1%	2.1%	-	
Selling & Distribution expenses	2.9%	3.2%	(30)	↓
Manufacturing Expenses	6.7%	9.0%	(230)	↓
Royalty	3.6%	3.4%	20	↑
Power & Fuel	0.8%	0.6%	20	↑
Exchange Variation	0.5%	2.7%	(220)	↓
<b>EBIDTA</b>	<b>15.9%</b>	<b>8.8%</b>	<b>710</b>	↑
Depreciation	3.1%	3.1%	-	
PBT	12.7%	5.5%	720	↑
<b>PAT</b>	<b>9.2%</b>	<b>3.9%</b>	<b>530</b>	↑
Other Income	5.4%	3.2%	230	↑

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# Financial Analysis Q1 Fy'10 vs Q4 Fy'09

## **Income**

- Normally Q1 volumes are significantly lower than Q4 (Industry Sales Cyclicality)
- Q1 Volumes lower by 4.2%...
- ...but Net Sales up by 0.5%
- Average Realization up by 4.5% (Ritz & A-Star)
- Improved export realization on strong Euro

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# Financial Analysis Q1 Fy'10 vs Q4 Fy'09

## **Material Cost (% to Net Sales)**

- Commodity price benefit
- Cost Reduction and Innovation programs
- Lower Discounts (Adjusted in Net Sales)
- Shift of Product mix towards higher end (Ritz and A-star)
- Net favourable exchange rates

## **Manufacturing & Admin Cost**

- 230bps positive improvement due to one-time foreign exchange variation loss in Q4 FY'09
- Enhanced Cost control



# Sales Volumes

Total Sales

Market	Q1 FY' 09-10 (A)	% to Total sales	Q1 FY' 08-09 (B)	% to Total sales	% Change
Domestic	197,415	87.1 %	180,093	93.51%	9.6%
Exports	29,314	12.9 %	12,491	6.49%	134.6%
<b>Total Sales</b>	<b>226,729</b>	<b>100 %</b>	<b>192,584</b>	<b>100.00%</b>	<b>17.7%</b>

Domestic Sales

Segments	Q1 FY '09 -10 (A)	% to Total sales	Q1 FY' 08-09 (B)	% to Total sales	% Change
A1	7,119	3.62 %	16,649	9.24%	(57.2)%
A2	146,733	74.32 %	125,427	69.65%	17.0 %
A3	19,947	10.10%	15,940	8.85%	25.1%
C	22,233	11.26 %	20,761	11.53%	7.1%
MUV	1,383	0.70 %	1,316	0.73%	5.1%
<b>Domestic</b>	<b>197,415</b>	<b>100 %</b>	<b>180,093</b>	<b>100.00%</b>	<b>9.6 %</b>



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*...In the past few months, we have often been asked: “After 25 years of leadership, **what next?**” It is not for us to predict the future. Other than to say that the **Quest is unceasing**. It evolves forever.*

*We continue on our journey, uninterrupted and without distraction, to **explore newer frontiers, strengthen and expand partnerships, connect with the layers and layers of a still larger world and embed ourselves deeper in the lives of people.....***



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*Welcome to read about our quest  
in the forthcoming*

*Annual Report FY'08-09*

The logo for Quest Unlimited features the word "Quest" in orange and "Unlimited" in black, both in a bold, sans-serif font. The text is centered within a circular graphic composed of numerous small, grey dots arranged in concentric, slightly irregular rings, creating a textured, dotted effect.

**Quest Unlimited**

